Date Mailed October 30, 2001

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Joint Application of Northern States Power-Wisconsin, Northern States Power-Minnesota, and Dairyland Power Cooperative for Authority to Construct and Place in Service Electric Transmission Lines and Electric Substation Facilities for the Chisago Transmission Project, Located in Chisago County, Minnesota, and Polk County, Wisconsin

1515-CE-102 4220-CE-155

REQUEST FOR COMMENTS AND ASSESSMENT OF COSTS

Comments Due: Address Comments To:

Wednesday, November 21, 2001 – Noon

FAX Due: Lynda L. Dorr, Secretary to the Commission

Tuesday, November 20, 2001 - Noon Public Service Commission

P.O. Box 7854

Reply Comments Due: Madison, WI 53707-7854

Wednesday, December 12, 2001 - Noon FAX (608) 266-3957

FAX Due:

Tuesday, December 11, 2001 – Noon

On May 15, 2001, Northern States Power Company-Wisconsin (d/b/a Xcel Energy) and Dairyland Power Cooperative (DPC) filed a joint request with the Commission to modify the Chisago Transmission Project under Wis. Stat. § 196.39. Two years ago, the Commission issued an order that granted a Certificate of Public Convenience and Necessity for the construction of the Chisago Project. This order was subsequently appealed, and upon the settlement of the lawsuits the circuit court remanded the Chisago Project to the Commission for further proceedings. Pursuant to Wis. Stat. § 196.39(1), at its open meeting of June 7, 2001, the Commission reopened these dockets to consider the applicants' proposed revisions to the transmission line route and overall design of the Chisago Project. On August 27, 2001, Xcel Energy and DPC supplemented their request with additional information about their proposed "Scope Change" for the Chisago Project.

Pursuant to the provisions of the legal settlement, Xcel Energy and DPC are now proposing to construct a 115 kilovolt (kV) transmission line from the Chisago County Substation to a new Lawrence Creek substation in Minnesota, and then build a 161 kV transmission line from the Lawrence Creek substation to the Apple River substation in Wisconsin. Previously, the Commission had approved a 230 kV transmission line for the entire project. Based upon the settlement agreement, the applicants also are proposing to change the route for this transmission

line. The applicants now propose that the transmission line continue from the Lawrence Creek substation through the cities of Taylors Falls and St. Croix Falls, crossing the St. Croix National Scenic Riverway at the existing hydroelectric dam rather than about two miles south of the dam. This route was previously considered at the Commission's hearings in 1999, and approved as an alternate route in the earlier CPCN order. As one modification of this route, the companies intend to use underground construction in St. Croix Falls from the Hydro substation to the Border substation (2.4 miles).

Xcel Energy and DPC represent that the lower-voltage project will adequately address their reliability concerns through 2012. The approved cost for the 230 kV Chisago Project was \$28.9 million; the companies estimate that their revised project will cost \$27.9 million. Copies of the companies' May 15 and August 27 Scope Change filings may be obtained by contacting Ms. Pamela Rasmussen, Permitting Analyst, Xcel Energy at (715) 839-4661, or Mr. Chuck Thompson, Project Manager, Dairyland Power Cooperative at (608) 787-1432.

THE COMMISSION REQUESTS COMMENTS on these proposed changes to the Chisago Project. For the purpose of determining whether to approve or disapprove the applicants' request, whether an evidentiary hearing will be necessary in this docket, and whether such a hearing must be convened as a contested case under Wis. Stat. § 227.01(3), the Commission will accept written comments from interested persons. These comments should address whether the companies' proposed Scope Change for the Chisago Project should be approved or disapproved. Commenters may also discuss whether the Scope Change raises any issues that were not addressed in the Commission's prior CPCN hearings. Any person seeking to show that such an issue does exist should also discuss whether this issue affects a substantial interest of the person, and whether an evidentiary hearing will be required to address the issue. Any person who wants the Commission to schedule an evidentiary hearing in this docket has the burden of demonstrating, by sworn affidavit, that a substantial issue of fact exists for which the hearing is necessary.

The Commission will also accept written replies to the comments originally filed. Any party who desires to file comments must submit an original and 15 copies and shall serve other parties on the Service List. Members of the public need only file an original. The first round of comments must be received by noon on Wednesday, November 21, 2001, and any replies must be received by noon on Wednesday, December 12, 2001. Comments by fax are due at noon, one day earlier. Fax filing cover sheets must state "Official Filing" and include the docket number and the number of pages (limit of 20 pages). File by one mode only.

If the Commission determines that an evidentiary hearing is required, it may schedule a prehearing conference in this docket. If the Commission determines that an evidentiary hearing is not necessary, the Commission will decide whether to approve the Scope Change on the basis of the written comments received, and on its own investigation into this matter.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses

Dockets 1515-CE-102, 4220-CE-155

Service List

incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

Questions regarding this matter may be directed to docket coordinator Udaivir Singh